

**STATEMENT OF PROCEEDINGS FOR THE
SPECIAL MEETING OF THE
CITY OF MONTEBELLO OVERSIGHT BOARD**

**CITY OF MONTEBELLO
CITY COUNCIL CHAMBERS
1600 WEST BEVERLY BOULEVARD
MONTEBELLO, CALIFORNIA 90640**

Wednesday, November 12, 2014

8:15 AM

I. CALL TO ORDER

Tanya Ruiz, Oversight Board staff, called the meeting to order at 8:29 a.m.

II. ROLL CALL

Tanya Ruiz, Oversight Board Staff, called the roll:

Present: Board Members Angel F. Barnuevo, Edgar Cisneros, Vanessa Delgado and Cheryl A. Plotkin

Absent: Vice Chair Ernesto Hidalgo and Chair Richard Bruckner

Vacancies: Community College Appointee

III. STAFF COMMUNICATIONS

This time is set aside for Successor Agency staff to update the Board on important items initiated by staff or previously requested by the Oversight Board.

Chris Cardinale, Successor Agency Legal Counsel, provided an update regarding the current litigation between the City of Montebello and the California State Department of Finance (DOF). Mr. Cardinale informed that the court has issued its final rulings on the case and has ordered for the DOF to go back and reconsider the documents and arguments that the Successor Agency made in the litigation.

Mr. Cardinale concluded that there is no timetable on the reconsideration, however staff is hopeful that a decision by the DOF will be made by the end of the 2014 year, and assured that staff would continue to keep the Oversight Board apprised on the outcome.

IV. ADMINISTRATIVE MATTERS

1. Recommendation: Approve the minutes for September 10, 2014. (14-5060)
Board Members Cisneros and Plotkin requested that the September 10, 2014 minutes be deferred to the next meeting as both were not present at that meeting and would therefore need to abstain from taking action.

By Common Consent, there being no objection (Vice Chair Hidalgo and Chair Bruckner being absent), the Oversight Board continued this item to the next regular meeting.

Attachments: [September 10, 2014 Minutes](#)

V. RECOMMENDATIONS

2. Recommendation: Adopt a Resolution approving the Successor Agency's Long Range Property Management Plan (LRPMP) prepared pursuant to California Health & Safety Code Section 34191.5. (14-5061)

Larry Kosmont of Kosmont Properties, provided a PowerPoint presentation and thorough overview of the Successor Agency's proposed Long Range Property Management Plan (LRPMP). Mr. Kosmont explained the LRPMP requirements and provided insight on the current status of the plan. Although the Successor Agency is still awaiting receipt of its Finding of Completion from the Department of Finance (DOF), Mr. Kosmont informed that it does not preclude the Successor Agency to obtain Oversight Board approval and submit the LRPMP to the DOF for review. Mr. Kosmont added that while the DOF cannot approve the plan until an FOC is achieved, staff however, anticipate that the DOF can begin the process and ideally review the plan.

Mr. Kosmont referred to page six (6) of the LRPMP and provided a summary and description of each of the eight (8) properties listed which also included the disposition strategy for each of the following properties:

Transfer to City for continued Government Use:

Property 1 - 737 North Montebello Boulevard (Taylor Ranch Cultural Arts Center)

Property 2 - North Montebello Boulevard (City Tower)

Keep Use of the Property by Successor Agency for fulfillment of Enforceable Obligations (eventual sale via auction or broker-facilitated sale):

Property 3 - 1345 North Montebello Boulevard (Costco)

Property 7 - 310 West Whittier Boulevard (Chevrolet of Montebello)

Mr. Kosmont explained that properties three (3) and seven (7) have enforceable obligations attached therefore currently cannot be sold or transferred, however, eventual sale via auction or broker-facilitated sale with sale proceeds to be distributed to local taxing entities is anticipated.

Liquidation (via auction or broker-facilitated sale):

Property 4 - 701-705 West Whittier Boulevard (Restaurant Site)

Property 5 - Union Street / Chapin Road

Property 6 - 112-124 South 6th Street

Property 8 - 121 South 6th Street

Successor Agency staff intends to liquidate the properties via auction or broker-facilitated sale with the sale proceeds to be distributed to local taxing entities. Mr. Kosmont responded to and clarified questions pertaining to properties three (3) and five (5).

Mr. Kosmont noted that for the Costco site (property 3), there is a current lease in place which has eight (8) years remaining and although Costco was given the opportunity to purchase the property, Costco declined to purchase. Successor Agency staff recommends honoring the lease and once the lease is up, the opportunity to sell to Costco will be a possibility.

With regard to property five (5), Mr. Kosmont explained that the value of the property is listed as a zero amount on the LRPMP, as the vacant lot is too long and narrow to develop. Mr. Kosmont added that it is likely that a buyer would be one of the adjacent owners for a possible parking lot, however added that the proceeds of that sale will more than likely not be significant.

Mark Huebsch, Oversight Board Legal Counsel, provided comments on the LRPMP and indicated that he is in agreement with the disposition strategy of the properties. Mr. Huebsch, however, asked for clarification as to whether Successor Agency staff intends to bring the sale of properties back to the Oversight Board for approval. Mr. Kosmont indicated that the Successor Agency's intent is to bring back to the Oversight Board for approval.

On motion of Board Member Cisneros, seconded by Board Member Delgado, duly carried by the following vote, the Oversight Board adopted a Resolution, approving the Successor Agency's Long Range Property Management Plan (LRPMP) prepared pursuant to California Health and Safety Code Section 34191.5:

Ayes: 4 - Board Members Barnuevo, Cisneros, Delgado and Plotkin

Absent: 2 - Vice Chair Hidalgo and Chair Bruckner

Vacancies: 1 - Community College Appointee

Attachments: [Long Range Property Management Plan and Resolution](#)

VI. MISCELLANEOUS

3. Matters not on the posted agenda (to be presented and placed on the agenda of a future meeting). (14-5064)

There were none.

4. Public Comment. (14-5065)

There were none.

5. Adjournment. (14-5067)

On motion of Board Member Cisneros, seconded by Board Member Barnuevo, unanimously carried (Vice Chair Hidalgo and Chair Bruckner being absent), the Oversight Board adjourned the meeting at 9:10 a.m.